

Department of Development

Boyce Safford, III - Director

Building Services Division

757 Carolyn Avenue Columbus, Ohio 43224-3218 (614) 645-7433 (614) 645-7840 FAX

July 22, 2008 Revised 9/11/09

Construction Industry Communication #14

From: Tracie Davies, Assistant Director

Re: DEPARTMENT-ISSUED TRADE CONTRACTOR LICENSES AND OHIO CONSTRUCTION INDUSTRY LICENSING BOARD REGISTRATION FEES

Questions often asked regarding contractor licensing and registration processes, mainly by Ohio Construction Industry Licensing Board (OCILB) contractors, are:

- "Why do I have to pay a registration (or license) fee to conduct business in the City of Columbus?"
- "Why is this fee so high?"

In 2002, the City of Columbus entered into an agreement (Memorandum of Understanding) with the development industry to adhere to certain practices and service standards. *Part of this MOU stated that the Building Services Division (BSD)*become self-sustaining, separated from the City's General Fund. This meant that all revenues received, e.g., building, mechanical, graphics permits, license and registration fees, etc., would be applied directly to the operations of *BSD*.

All fees generated from contractor registrations/licenses and permits are directly applied to the operations of BSD and are not co-mingled with General Fund monies.

Contractor registration/licensing fees help cover portions of staffing and operations of the following *BSD*-related functions:

- Building Investigation Team (BIT) which, in part, responds to complaints of unlicensed contractors or contractors working without permits;
- Administrator's office, building code development office, electronic and hard copy data maintenance and storage, communications/training office, customer service/cashiering functions;
- department director's office, assistant director's office, fiscal office and human resources.

The registration/licensing process enables *BSD* to help assure that contractors performing work maintain proper credentials and are knowledgeable in their respective trade. This process also stipulates that contractors provide bonding and insurance information, which helps minimize certain risk factors to property owners as well as the City of Columbus.

Boards and commissions have been established in *BSD* that serve as impartial venues to adjudicate matters pertaining to department-registered, OCILB-licensed contractors as well as department-issued licensed contractors. These include:

Board of review of plumbing and sewer contractors and of journeyperson plumbers.

Board of review of electrical contractors.

Board of review of refrigeration contractors.

Board of review of warm air heating and air conditioning (HVAC) contractors.

Board of review of general and limited sign erectors.

Six (6) *BSD* staff members are mainly dedicated to provide administrative support to these entities, as well as handling the day-to-day issuance of all contractor registrations/licenses, and maintaining accurate and secure records of such data.

The normal turn-around time for license/registration issuance is ten (10) business days, however, an 'Accelerated License/Registration Processing Fee', stated in the Fee Schedule as equal to the amount of a standard license/registration, will enable contractors to receive their license/registration within one (1) business day from application approval.

Not unlike other city departments, *BSD*'s operating expenses include a 4.5% pro rata share paid to other city offices, e.g., Mayor, City Council, City Attorney, City Auditor, Department of Development Director's office, etc., for services provided to BSD.

Additional operating costs covered by contractor registration/licensing fees are various internal special services such as printing, mailroom and Department of Technology services, including: software upgrades, computer technology for field inspectors and the much-needed and anticipated on-line permitting services.

If customers have any more questions or would like to discuss this issue further, please don't hesitate to have them contact Linda LaCloche, Manager – Customer Service Center: (614) 645-4685.